



February 01, 2007

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Room TW-A325  
Washington, D.C. 20554

**Re: PTI Quarterly Report and Section 20.18(i) Notice of Phase II ALI Partial  
Technology Change  
CC Docket No. 94-102**

Dear Ms. Dortch,

This report is submitted on behalf of PTI Pacifica, Inc. ("PTI"), formerly known as GTE Pacifica, Inc. the wireline-side cellular licensee for the Commonwealth of the Northern Marianas Islands ("CNMI"). The CNMI, a self-governing Commonwealth in political union with and under the sovereignty of the United States of America, is a three hundred mile archipelago consisting of fourteen islands, the largest inhabited islands of which are Saipan, Rota and Tinian. The CNMI is located approx. 150 miles north of Guam in the Micronesia area of the eastern Pacific Ocean, over 5,000 miles from the mainland U.S. PTI currently provides wireless service principally via CDMA 1x technology, which it has generally overlaid coextensive with the coverage of its legacy TDMA and analog platforms. As discussed below, PTI is planning to deploy on Saipan an overlay network using GSM technology in the second quarter of 2007. By this filing, PTI notifies the Commission pursuant to Section 20.18(i) of the rules that it intends to employ a network-based E911 solution for its GSM network in response to any valid PSAP request. Remaining TDMA customers will become subject to the network-based solution.

On March 29, 2006, the Commission granted PTI's request for an extension of time until June 30, 2007, to comply with the requirement in Section 20.18(g)(i)(v) of the Commission's rules that carriers employing a handset-based E911 Phase II location technology must achieve 95 percent penetration among their subscribers of location-capable handsets. *See Revision of the Commission's Rules to Ensure Compatibility with Enhanced 911 Emergency Calling Systems – GTE Pacifica, Inc. d/b/a Verizon Pacifica Request for Waiver*, CC Docket No. 94-102, FCC 06-40 (rel. Mar 29, 2006). In order to monitor compliance with the relief granted, the Commission required PTI to file status reports quarterly beginning May 1, 2006, and ending June 30, 2008. *Id.* at paragraph 19. This is the fourth quarterly report.

**1). The Number and Status of Phase II requests from PSAPs.**

The CNMI Department of Public Safety ("DPS") is the single entity charged with implementing the E911 system. Its jurisdiction covers all three populated CNMI islands, Saipan, Tinian and

Rota. To date PTI has not received any CNMI government agency or PSAP request for E911 Phase I or II. PTI has been in contact with CNMI officials and understands that CNMI deployment of E911 is not imminent. CNMI-DPS is trying to identify revenue sources for the funding of its E911 system, and legislation is currently under consideration but remains pending.

**2). The dates on which Phase II service will be available to PSAPs served by PTI's network.**

Notwithstanding that CNMI-DPS has not requested E911 Phase I or Phase II and continues its search to secure funding from different sources, as a carrier PTI is preparing for the eventual islandwide deployment of E911 Phase I and Phase II. We plan to work in parallel with the CNMI - DPS and assist them with the implementation of the E911 system when its E911 funding becomes available. We will periodically hold meetings with CNMI-DPS to track progress.

**3). The status of PTI's coordination efforts with PSAPs for alternative 95% handset penetration dates.**

We will continue the E911 dialogue with the responsible CNMI officials to ensure steps are being taken to address the relevant issues.

All CDMA handsets sold by PTI since the deployment of its CDMA network have been compatible with automatic location identification ("ALI") technology. PTI continues to employ various media (newspaper, radio, TV, flyers, billing inserts and billing memos) to inform and encourage our subscribers to move over to a location-capable CDMA handset.

A campaign has been launched to inform subscribers of the benefits of E911. Subscribers have been informed that upgrading to a CDMA handset eventually will enable them to automatically transmit their location information to DPS when calling 911. Other campaigns include marketing the superior battery lifetime of a CDMA handset and informing consumers that CDMA handsets are smaller and easier to carry, and that CDMA handsets have stronger reception both on-island and out on the ocean (e.g. for use while fishing).

**4). PTI's efforts to encourage customers to upgrade to location capable handsets.**

Our efforts to-date to encourage use of CDMA handsets compatible with a handset-based E911 solution include offering a "FREE! \$5.00 Prepaid Calling Card" to subscribers that "TRADE-IN" their former TDMA handsets. We are promoting this at the popular Thursday Night Street Market and supporting it with ¾ page - full color newspaper ads (see supporting newspaper ads) as well as radio ads with 100% rotation on Thursdays. Staff also hands out posters/flyers during this event. Surrounding our TRADE-IN offer we have revised our Postpaid Airtime Rate Plans – offering subscribers lower per minute rates and "FREE! Local Texting." Additionally, we have gone to a flat \$0.20 per minute Prepaid Rate to encourage subscriber usage and thus to purchase a newer handset.

Our Distribution Program at local Shell Gas Stations has proven an effective venue to sell CDMA handsets, and we have also expanded the program to include 4 other retail locations and look forward to further expansion of the program. We have also rotated out the CDMA handset inventory so the handsets are not the same ones all the time. The two new handsets currently being sold are the Motorola v710 w/camera and the Nokia 6015. Both handsets come with color



display screens and enhanced features. The Motorola v710 is \$139 including a FREE! \$10 Prepaid Calling Card and the Nokia 6015 \$75 also with a FREE \$10 Prepaid Calling card.

Other innovative promotions conducted since our last report include The Thursday Night Street Market and the After Hours Sale every Friday in the month of December for the holiday push. We also sponsored and sold CDMA handsets during the hugely popular Saipan Sing-A-Long Contest (like American Idol). We also continue to advertise in the Beach Road magazine, which targets our 18 – 25 user segment – part of our core Prepaid subscriber base.

We also have made up banners that promote the benefits of CDMA 1x features, i.e., BREW content (ringtones, wallpaper and games), new embedded ring tones on CDMA handsets, and more stylish handsets to choose from.

Other on-going CDMA incentives are being planned to encourage and entice TDMA subscribers to switch to a far superior CDMA 1x handset. Promotions include allowing the subscriber to switch out both his phone and airtime rate plan without incurring any penalty for switching from a (currently higher-priced) TDMA airtime plan to a new CDMA airtime plan.

We also will hold other special events wherein subscribers will have the opportunity to trade-in their old TDMA handsets and receive a significant discount on a new CDMA ALI-capable handset. This event is especially marketed to our prepaid subscribers – our largest group of TDMA users.

Billing inserts will be provided in upcoming billing statements that will include:

“Enjoy the coolest ring tones, the most colorful wallpapers and super games at your fingertips with PTI’s CDMA 1x cellular handsets! Better battery lifetime, quality reception stylish phones! Hear the difference a CDMA 1x phone will mean to you!”

“Switch to a new CDMA 1x cellular phone and switch your airtime plan at the same time with out any penalty. Get a better phone and a better plan with PTI! Hear the difference a CDMA 1x phone will mean for you!”

Lastly, we have initiated monthly “mass SMS” texting messages - specifically targeting our TDMA subscriber base announcing CDMA phone offers as well as notifying our TDMA users that the network will eventually be turned off.

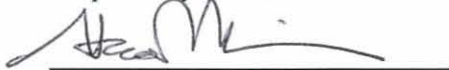
**5). The percentage of PTI customers with location-capable handsets.**

Treating all extant handsets (analog, TDMA and CDMA) as of February 01, 2007 as being subject to a handset-based E911 solution, PTI is at 68% penetration of CDMA location-capable handsets, an increase of 6.6% percent since data had last been reported to the FCC. As discussed below, however, PTI now plans to launch a GSM overlay network on the island of Saipan in the second quarter of 2007, which will require implementation of a network-based E911 solution. PTI’s remaining TDMA subscribers will become subject to any network-based E911 solution deployed in response to a valid PSAP request.

**6). Detailed information on PTI’s status in achieving compliance and whether it is on schedule to meet the revised deadline.**

As discussed in its December 19, 2005, request for waiver in this docket, PTI launched its CDMA technology platform in 2004; and all CDMA handsets sold since have been location-capable. PTI planned to retire its legacy TDMA network in mid-2007. PTI now plans the commercial launch of a GSM overlay in Saipan starting sometime between May 1 and July 1, 2007. Almost 80 percent of the remaining TDMA subscribers are pre-paid customers, many of whom have ties to foreign countries in which GSM handsets are prevalent. PTI will encourage the migration of TDMA subscribers that have resisted CDMA handsets to move to GSM handsets. GSM networks currently do not have access to a handset-based E911 solution, so PTI now plans to employ a network-based E911 solution in response to a valid PSAP request for both GSM and TDMA subscribers. To provide time for marketing GSM handsets to its TDMA subscribers, PTI now plans to maintain its TDMA platform for some period beyond June 30, 2007.

Respectfully submitted,



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